DOCUMENT RESUME

ED 315 808 CS 507 021

AUTHOR Murdock, Johnny I.; Leipzig, John S.
TITLE The Impact of Corporate External and Internal Message Congruency upon the Acceptance of Employee Unethical Acts.
PUB DATE Nov 89
NOTE 36p.; Paper presented at the Annual Meeting of the Speech Communication Association (75th, San Francisco, CA, November 18-21, 1989).
PUB TYPE Speeches/Conference Papers (150) -- Reports - Research/Technical (143)

EDRS PRICE MF01/PC02 Plus Postage.
DESCRIPTORS Communication Research; Employer Employee Relationship; *Ethics; Multivariate Analysis; Organizational Climate; *Organizational Communication; Personnel Evaluation; Surveys
IDENTIFIERS Corporate Culture; Message Perception; *Organizational Culture

ABSTRACT

A study examined public perceptions of unethical employee acts as a function of variations in a corporation's cultural image, with emphasis upon the effect of congruent and incongruent organizational messages upon the perception of the degree of unethicality. Subjects, 200 adults approached at public locations, were asked to: (1) read one of three narrative descriptions of a fictitious organization (which included a review of eight unethical acts by an assistant manager); (2) respond to 11 dependent measures; (3) provide an overall evaluation of the company and of the assistant manager; and (4) compare their likely behavior with the assistant manager's behavior, given an employer like the one described in the narrative. The narratives described conditions in which: (1) the company was highly supportive of its employees, and external/internal messages were congruent; (2) more average in its support of its employees, and internal/external messages were somewhat incongruent; or (3) not supportive of its employees and internal/external messages were clearly incongruent. Results indicated that the congruency or incongruency between external and internal message systems may significantly impact employee perceptions of the organization's cultural image, which in turn may foster or inhibit unethical employee acts against the employer. (One table of data is included; 27 references, the 3 narratives, and the survey instrument are attached.) (RS)

****
* Reproductions supplied by EDRS are the best that can be made *
* from the original document. *
****

ED315808

THE IMPACT OF CORPORATE EXTERNAL AND INTERNAL MESSAGE CONGRUENCY UPON THE ACCEPTANCE OF EMPLOYEE UNETHICAL ACTS

Presented At

Speech Communication Association

Annual Convention

November 1989

"PERMISSION TO REPRODUCE THIS MATERIAL HAS BEEN GRANTED BY

John S. Leipzig

TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)."

U.S. DEPARTMENT OF EDUCATION
Office of Educational Research and Improvement
EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)

☐ This document has been reproduced as received from the person or organization originating it.

☐ Minor changes have been made to improve reproduction quality.

• Points of view or opinions stated in this document do not necessarily represent official OERI position or policy.

CS507021

Johnny I. Murdock
Fire Coordinator
Mat-Su Borough
P.O. Box 1608
Palmer, Alaska 99645-1608
907-745-4801

John S. Leipzig
Department of Speech and Drama
University of Alaska Fairbanks
Fairbanks, Alaska 99775-1500
907-474-6817

BEST COPY AVAILABLE

ABSTRACT

This paper reports the results of a study on public perceptions of the unethicality associated with self-serving and unethical employee acts as a function of variations in a corporation's cultural image. Organizational cultures communicate to employees the extent to which they are considered valuable and important. Variations in a corporation's cultural image were hypothesized to influence the degree of negative evaluation associated with self-serving and unethical employee acts. Results supported the hypothesis and have implication for communication research concerning organizational cultures.

BEST COPY AVAILABLE

INTRODUCTION

The impact of corporate culture on employee behaviors is receiving increased attention in the communication literature. Corporate culture has been characterized by Smircich (1985, p. 58) as "a possession - a fairly stable set of taken-for-granted assumptions, shared beliefs, meanings, values that form a kind of backdrop for action". These assumptions which are based on grains of truth are perpetuated by the interdependent actions of organizational members (Weick, 1983). Acceptence of these underlying assumptions leads to the position that organizations are best understood as social constructions (Putnam, 1983, Smircich, 1985).

In the literature on communication and culture (Bormann, 1983; Schein, 1985), a central concern involves the importance of people within organizations. When organizations communicate to employees that they are valued and important, research indicates positive outcomes for measures of morale, job satisfaction, trust, and loyalty. When organizations communicate to employees that

they are unimportant and not valued, research indicates reduced outcomes for measures of morale, job satisfaction, trust, and loyalty (Goldhaber, 1983; Timm, 1980). Organizations communicate cultural messages to employees about their value and importance through policies, information availability, working conditions, supervisory behavior, decision-making methods, compensation, and advancement possibilities (Pace, 1983). These cultural messages, whether explicitly or implicitly communicated, impact upon employee perceptions and behavior.

One of the most compelling research issues involving organizational culture is the study of organizational ethics (Jones, 1985). Organizational ethics are specifically defined as "a form of socially produced practical knowledge. . . .and are as much an intrinsic part of organizational study as theory" (Deetz, 1985, p. 254). Deetz (1985) further noted that "organizational practices have major effects on human development" (p. 254). Of major interest in this study is the effect of congruent and incongruent organizational messages upon the perception of the degree of unethicality associated with unethical acts committed by employees. Unethical acts are specifically defined as those acts "that result in someone being embarrassed, harmed and deprived" (Jones, 1985, p. 242). The specific area of employee behavior of interest in this study is self-serving and unethical acts which

potentially harm the employer. Employee unethical acts against corporations have been referenced as a form of white collar crime, and involve the "theft of merchandise, supplies, cash, and with the help of computers, information" ((Green & Berry, 1985, p.701).

In 1983 experts estimated that workers made off with approximately 10 billion dollars in property belonging to employers and co-workers (Gest, 1983), the estimate for 1985 rose to 30-40 billion dollars (Green & Berry, 1985), and the current estimate is 67 billion dollars (ABC New, 1989). One survey found that one-third of employees admitted to stealing from their employers and the true percentage is thought to be much higher (Gest, 1983). Employee theft is a major and growing national issue.

Given the magnitude and apparent growth of unethical and, often, illegal employee acts, what are the causes of the behavior? For some who have studied the issue, the most significant reason is employee perceptions that employers have little or no concern for their welfare (Gest, 1983). In fact, a National Institute of Justice report concluded, "Those who feel exploited are most likely to steal" (Gest, 1983, p. 80). A related explanation considers employee perceptions as crucial, and suggests that corporate messages can create cultural images which may lead employees to feel justified in unethical acts and/or inhibit

employees from reporting the unethical acts of others (Leipzig & Murdock, 1986).

Organizations generate both internal and external messages (Cummings, Long & Lewis, 1983; Wilson, Goodall & Waagen, 1986). External messages, advertising and other public relations efforts, are designed to create a positive cultural image of the organization. Internal messages serve to develop, coordinate, and regulate the functioning of the organization, and for employees are part of the cultural image. The relationships between organizational external and internal messages, and how the congruency or incongruency of these messages affect employee behavior are empirical and theoretical issues.

Unfortunately, potential issues have not been substantially addressed in the organizational communication literature. Some texts focus almost exclusively upon internal communication issues (Koehler, Anatol, Applbaum, 1981; Lewis, 1980; Pace, 1983). Other texts review external or public communication issues, in addition to considerations of internal communication, but fail to consider the relationships between external and internal messages (Cummings et al.,1983; Farace, Monge, Monge, & Hamish,1977; Hunt,1980; Makay & Fetzer,1984; Wilson et al.,1986). Goldhaber (1983), while not explicitly examining relationships between internal and external messages, acknowledges the existence of a relationship in noting

that "Organizations identify the social and role behavior expected of them from their internal and external environments--their publics" (p. 309). As Goldhaber suggests, there is a mutuality of influence.

What is the effect upon employees when internal corporate messages are perceived as communicating that employees are not valued and are unimportant when external messages portray the corporation in a positive and proactive fashion? If, for example, an employee sees an advertising campaign that exudes caring while feeling uncared for by the company, the employee can conclude that the company is being inconsistent in its messages and is, therefore, a manipulative organization. When internal and external messages are incongruent, employees may conclude that the organization is inconsistent, self-serving, and unethical. From a metaperspective, the corporation's cultural message is that unethical acts are acceptable (Leipzig & Murdock, 1986).

The congruency or incongruency of internal and external corporate messages merits serious consideration. When employees perceive they are not valued by a corporation and when employees also perceive incongruency between a corporation's internal and external messages, such perceptions may be related to the justification of unethical acts against an unethical corporation by its employees (Leipzig & Murdock, 1986). If companies are seen as

self-serving entities, then it is consistent for the employees who work for these companies to act as self-serving entities (Alexander, 1985).

The current study examines public perceptions of unethical employee acts within cultures which are socially constructed from congruent and incongruent organizational messages.. The conceptual hypothesis is: when individuals evaluate clearly self-serving and unethical employee acts, the degree of negative evaluation will be significantly affected by congruent or incongruent organizational messages. This hypothesis was supported in an earlier study (Murdock & Leipzig, 1988).

METHOD

This study was developed and conducted as a field experiment, utilizing an availability sample.

The researchers developed three versions of a narrative description concerning a fictitious organization identified as Speedy Air Courier Service (SACS). Each version contained a few facts about the organization, plus a review of its intentional external and internal messages. Information concerning salary, promotion, expense account, car usage, vacation, medical benefits, extra-time compensation and retirement was varied in the versions to generate an ordinal scale independent variable: (1) a proactive/sensitive employer in Condition I, (2) a more typical/average employer in Condition II, and (3) an insensitive/selfish employer in Condition III. The induction goal was to create three cultural images: (1) Condition I where the organization was highly supportive of its employees and external/internal messages were congruent, (2) Condition II where the organization was more average in support of its employees and external/internal messages were somewhat incongruent, and (3) Condition III where the organization was not supportive of its employees and external/internal messages were clearly incongruent. Appendix A contains copies of the three narrative versions. We

realize that in creating this ordinal scale independent variable two variables (i.e. internal message and congruency) were confounded. Since this confounding reflects the inherent reality of organizational enviornments, we opted for reality over precision.

After reading one of the narrative inductions, which included a review of eight unethical acts by an assistant manager identified as Mike (See Appendix A), subjects responded to eleven dependent measures. Appendix B contains a copy of the items and Likert-type scales used for subject responses. Subjects were asked to provide an overall evaluation of the company (SACS) and another of the assistant manager (Mike). Each of the assistant manager's eight unethical acts were evaluated separately. Finally, subjects were asked to compare their likely behavior with the assistant manager's behavior given an employer like to one described in the induction.

An availability sample was employed to gather data from a wide range of subjects. Students from an advanced course in group communication were used as data collectors. Adults were approached at public locations (e.g., shopping malls) and asked to donate twenty minutes in order to complete the instrument (conditions randomly assigned). The majority of those approached agreed to cooperate (N=210).

Given our previous study (Murdock & Leipzig, 1988), four specific hypotheses were formulated (see Appendix B for a complete list of dependent measures). While the hypotheses are stated in linear format, given the ordinal scale independent variable, additive causality can neither be predicted nor asserted.

1. For measure 1, subject overall evaluations of the organization would produce:

   Condition I > Condition II > Condition III.

2. For measure 2, subject overall evaluations of the assistant manager would produce:

   Condition I < Condition II < Condition III.

3. For measures 3-10, subject evaluations of the unethical acts would produce:

   Condition I < Condition II < Condition III.

4. For measure 11, subject forcasts of their own behavioral if they worked for the organization described in the induction would produce:

   Condition I < Condition II < Condition III.

RESULTS

A multivariate analysis of variance was performed with the three level independent variable and the eleven dependent measures. The analysis yielded a main effect (Roy's Maximum Root Criterion = 2.08, $F(11,198) = 36.68$, $p < .0001$). Given the significant multivariate main effect, univariate tests were examined.

For each dependent measure, Table I reports the condition means, F-values and eta^2. All eleven F-tests were significant. With the exception of three quadratic effects which qualify the results in relation to hypothesis 3, results supported the predictions. The cultural image of the organization did influence perceptions about the company and the acceptability of unethical employee acts, as well as subject forcasts about their own behavior in similar working conditions.

For hypothesis 1 (measure 1), the evaluations of the proactive/sensitive company (Condition I) were more favorable than those of the typical/average company (Condition II) which were more favorable than those of the selfish/insensitive company (Condition III). The mean difference between Condition I - Condition II = .94 and between Condition II - Condition III = 2.19 were both significant. The magnitude of effect was $eta^2 = .55$. The information varied in the three narrative versions did create

substantially different cultural images of the company. Measure 1 was essentially an induction check which validated the success of the induction manipulation.

For hypothesis 2 (measure 2), the evaluations of the assistant manager as an employee were most negative in Condition I, significantly less negative in Condition II, and bordering on neutral in Condition III. The magnitude of effect was $eta^2 = .16$. The cultural image of the company did significantly influence overall evaluations of the assistant manager as an employee.

For hypothesis 3 (measures 3-10), results were mixed, but supportive of the hypothesis. For dependent measures 5, 6, 8, 9, and 10, results supported the prediction. The subject evaluations of the unethical acts were most negative in Condition I, significantly less negative in Condition II, and even less negative in Condition III. For these measures, the magnitude of the effect varied from $eta^2 = .11$ to .17. For dependent measures 3, 4, and 7, results partially supported the prediction. The subject evaluations of the unethical acts were significantly more negative in Condition I when compared to Conditions II and III; however, no significant differences were obtained in Condition II versus Condition III comparisons. For these measures, the magnitude of effect varied from $eta^2 = .07$ to .09.

For hypothesis 4 (measure 11), results supported the

prediction. Subject comparisons of their likely behavior with the assistant manager's behavior given similar working conditions were most negative in Condition I, significantly less negative in Condition II, and even less negative in Condition III. The magnitude of effect was eta ^{2} = .26. As the organization became less sensitive to its employees and the external/internal message incongruency increased, subjects reported a greater willingness to engage in unethical acts.

DISCUSSION

The predictions of the conceptual and specific hypotheses were supported by the results. The .55 magnitude of effect for the evaluations of the company demonstrated success in creating different cultural images concerning the value and importance of employees. The assistant manager clearly engaged in eight self-serving and unethical acts, yet as the cultural image of the organization became more incongruous, the degree of unethicality associated with the acts diminished while the evaluations of the assistant manager became more positive. From a slightly different perspective, one can argue that as the external/internal message incongruency increases within an organization, self-serving and unethical employee acts become more acceptable. Even if a person

refuses to engage in unethical acts to benefit himself/herself, the individual may be likely to be more tolerant of the unethical acts of other employees.

The quadratic effect pattern on the measures of three unethical acts present an interpretive problem. The ordinal scale independent variable negates normal linear versus quadratic interpretation. We suggest that the most likely interpretation rests on the assumption that there is a wide range of unethical acts and that such acts are not equally reprehensible. Personal use of a company copier or the occasional abuse of longdistance lines may be more common and viewed less negatively than deliberate theft or the personal use of corporate funds (e.g., buying one's spouse an expensive meal and charging it to the employer). The organizational cultural parameters which make one act acceptable while another acts remains unacceptable may relate to the degree to which the act is reprehensible. The variations in the obtained mean values for the eight unethical acts are consistent with this explanation. The level of congruency/incongruency in organizational cultural images may differentially impact upon the acceptability of specific unethical acts. This is an issue for further research.

As the organizational cultural image became more and more incongruous, subjects reported a greater willingness to engage in

self-serving unethical acts. In fact in Condition I (the congruent condition) none of the 70 subjects forcast their own actions on the positive values of the scale (values 5, 6, 7), in Condition II 6 or 8.6 percent of the 70 subjects forecast their own actions on the positive values of the scale, but in Condition III (the most incongruent condition) 18 or 25.7 percent of the 70 subjects forecast their own actions on the positive values of the scale. A substantial number of the adult subjects in this study appear to operate on the premise, "Two wrongs do make a right."

When organizational messages concerning the worth of employees are positive and externally/internally congruent, unethical acts by employees are viewed as especially reprehensible. As organizational messages concerning the worth of individuals are positive externally but more and more negative internally, the unethical employee acts are viewed as more and more acceptable. If the organization's internal/external messages are perceived as incongruous, employees can conclude that the organization itself is unethical, and can further believe that employees who behave unethically against the organization are acting in an acceptable and consistent fashion (Leipzig & Murdock, 1986; Murdock & Leipzig, 1988).

"People need standards or frames of reference for understanding their world, and attitudes help supply such

standards. We gain prepackaged norms and attitudes from our larger value systems and [organizational] cultures" (Ross, 1985, p.14). Research and theory on persuasion and attitude change are supportive of the position that if a person works for an organization which is known to be insensitive and unethical, it would be consistent for the employee to adjust his/her attitude and value systems to conform to the perceived unethicality of the employer (Leipzig & Murdock, 1986). Subject overall evaluations of the assistant manager, evaluations of the specific unethical acts, and forecasts of their own behavior support the position that employees are likely to adjust their own ethics to conform to the preceived ethics of the employer.

The popular press has reported other patterns of employee behavior which also supports similar analysis. As corporate white collar crime has increased over the last decade, estimated to be 200 billion dolars in 1985 (Gest & Schershel, 1985), there has been a corresponding increase in employee theft (Leipzig & Murdock, 1986). Again, the perceived corporate message is that certain unethical acts are acceptable, and employees are apparently heeding the message. Another pattern is decernible in the literature concerning mergers and acquisitions. Up to two-thirds of all corporate mergers fail, and employee alienation is thought to be a major contributing factor (Geber, 1987). In

mergers, one finds the incongruency of positive external messages and insensitive internal messages as employees perceive that they are no longer valued.

In short, the social construction that is the organization may suffer because of the all too common incongruency between internal and external message systems. Since in organizations we are constantly "acting in ways that reveal and reinforce the reality in which we believe we are working" (Littlejohn & Jabusch, 1987, p. 146), that organizational reality which is viewed as unethical can be rewarded with employees who accept and engage in unethical acts which harm the employer.

This study indicates that the congruency or incongruency between external and internal message systems may significantly impact employee perceptions of the organization's cultural image. In turn, the cultural image of an organization may foster or inhibit unethical employee acts against the employer. Given our previous study (Murdock & Leipzig, 1988), we are fairly confident about the relationship between external/internal message congruency, employee perceptions of the organization's cultural image, and subsequent employee ethical or unethical behavior in relation to the employer. The size and importance of this relationship merits further exploration. Further, we suggest that other research is warranted and needed on the interface between

external and internal corporate message systems. How this interface impacts definitions and views of corporate cultures by organizational members offers a potentially rich vein for communication research.

REFERENCES

ABC News(1989). Lying, cheating and stealing in America. New York: American Broadcasting Companies, Inc. Transcripts from Journal Graphics, New York.

Alexander, C.P. (1985, June 10). Crime in the suites, Time, pp. 56-57.

Bormann, E. G. (1983). Symbolic convergence: Organizational communication and culture. In L.L. Putnam & M. E. Pacanowsky (eds), Communication and organizations: An interpretive approach, (pp.99-122). Beverly Hills, CA: Sage Publications.

Cummings, H. W., Long, L. W., & Lewis, M. L. (1983). Managing communication in organizations: An introduction. Dubuque, IA: Gorsuch Scarisbrick Publishers.

Deetz, S. (1985). Ethical considerations in cultural research in organizations. In P.J. Frost, L.F. Moore, M.R. Louis, C.C. Lundberg, & J. Martin (eds.), Organizational culture, (pp. 253-269). Beverly Hills, CA: Sage Publications.

Farace, R.V., Monge, P.R., & Hamish, M.R. (1977). Communicating and organizing. New York: Random House.

Geber, B. (1987). The forgotten factor in merger mania. Training, 24, pp. 28-37.

Gest, T. (1983, September 26). When employees turn into thieves. U.S. News & World Report, pp. 79-80.

Gest, T., & Schershel, P. (1985, May 20). Stealing $200 billion the respectable way. U.S. News & World Report, pp. 83-84.

Goldhaber, G. M. (1983). Organizational communication (3rd ed.). Dubuque, IA: Wm. C. Brown.

Green, M., & Berry, J. F. (1985, June 8). White collar crime is big business. The Nation, pp. 689 & 704-707.

Hunt, G.T. (1980). Communication skills in the organization. Englewood Cliffs, NJ: Prentice-Hall, Inc.

Jones, M.O. (1985). Is ethics the issue? In P.J. Frost, L.F. Moore, M.R. Louis, C.C. Lundberg, & J. Martin (eds.), Organizational culture, (pp. 235-252). Beverly Hills, CA: Sage Publications.

Koehler, J.W., Anatol, K.W.E., & Applbaum, R.L. (1981). Organizational communication: Behavioral perspectives (2nd ed.). New York: Holt, Rhinhart and Winston.

Leipzig, J. S., & Murdock, J. I.(1986, November). Examining the implications of congruency and incongruency between internal and external corporate messages. Paper presented at the Association for Business Communication International Convention, Los Angeles, CA.

Lewis, P.V. (1980). Organizational communication: The essence of effective management (2nd ed.). Columbus, OH: Grid Publishing Inc.

Littlejohn, S.W. & Jabusch, S.M. (1987). Persuasion transactions. Glenview, IL: Scott, Foresman and Company.

Makay, J.J., & Fetzer, R.C. (1984). Business communication skills: Principles and practice (2nd ed.). Englewood Cliffs, NJ: Prentice-Hall, Inc.

Murdock, J.I., & Leipzig, J.S. (1988, November). The impact of corporate message congruency and incongruency upon evaluations of employee unethical acts. Paper presented at the Speech CommunicationAssociation Convention, New Orleans, LA.

Pace, R.W. (1983). Organizational communication: Foundations for human resource development. Englewood Cliffs, NJ: Prentice-Hall, Inc.

Putnam, L.L. (1983). The interpretive perspective: An alternative to functionalism. In L.L. Putnam & M.E. Pacanowsky (eds.), Communication and organizations: An interpretive approach, (pp. 32-54). Beverly Hills, CA: Sage Publications.

Ross, R.S. (1985). Understanding persuasion: Foundation and practice (2nd ed.). Englewood Cliffs, NJ: Prentice-Hall, Inc.

Schein, E. H.(1985). Organizational culture and leadership. San Francisco, CA: Jossey-Bass Publishers.

Smircich, L. (1985). Is the concept of culture a paradigm for understanding organizations and ourselves? In P.J. Frost, L.F. Moore, M.R. Louis, C.C. Lundberg, & J. Martin (eds.), Organizational culture, (pp. 55-72). Beverly Hills, CA: Sage Publications.

Timm, P. R. (1980). Managerial communication: A finger on the pulse. Englewood Cliffs, NJ: Prentice-Hall, Inc.

Weick, K.E. (1983). Organizational communication: Toward a research agenda. In L.L. Putnam & M.E. Pacanowsky (eds.), Communication and organizations: An interpretive approach, (pp. 13-29). Beverly Hills, CA: Sage Publications.

Wilson, G. L., Goodall, H. L., & Waagen, C. L.(1986). Organizational communication, New York: Harper & Row Publishers.

APPENDIX A: CONDITION I

Speedy Air Courier Service (SACS) is a well-established company with headquarters in Phoenix, Arizona. In a competitive service industry, SACS is very successful (i.e., averaged over $170 million in annual profits during the 1980's).

Externally, the company portrays to the public an image of friendly, prompt, and personal service. Television, radio, and print advertisements contain the message, "We are satisfied ONLY when you are satisfied." In an effort to enhance its public image, SACS became a major supporter of the campaign to treat and reduce diabetes. SACS is the primary sponsor of several marathons which support diabetes research. In fact, the company directly sponsors four runners by purchasing their equipment and supplies and by providing support personnel for races. In turn, SACS uses the testimonials of the runners in its advertising. When company executives speak at community organizations, the diabetes program is always highlighted.

Internally, SACS promotes messages to employees of concern, of taking care of them, of treating them like family. The company has placed posters in employee break areas and on bulletin boards which say, "At SACS we care about YOU!", "Got a problem? Let's talk about it," and "ALL suggestions are warmly received."

In addition to the external and internal messages, employees are aware of the following:

1. Salaries at SACS are among the highest in the air courier industry.

2. In order to develop teamwork and loyality, SACS has a policy of internal promotions for supervisory and managerial positions.

3. Managerial expense accounts are best described as generous.

4. SACS provides management personnel with a new company car every three years for job-related and personal use.

5. After one year of service, SACS' employees annually receive four weeks paid vacation plus thirty hours of personal time.

APPENDIX A: CONDITION I

6. With no deductible, SACS provides full medical, dental, and optical coverage for employees and their families.

7. Given SACS support of diabetes campaigns, the company encourages managers to volunteer up to eight hours a month as support personnel for marathons. For each hour volunteered, managers are given one hour of compensatory time-off.

8. SACS funds a company retirement plan (employees vest after five years) that provides full benefits (i.e., 65 percent of annual salary averaged over the last three years) after twenty years of service. Benefits are automatically adjusted on an annual basis to cover any cost-of-living increases. At age 50, 55, and 60, there are a variety of early retirement options. The company continues to provide retirees and their spouses with full medical benefits.

Mike has been with SACS for seven years. He began as a car washer and has advanced to his present position of Assistant Manager in the headquarters office. While his personnel file indicates that Mike is an excellent employee, the company is unaware of some of his actions.

1. Mike occasionally (i.e., once or twice a month) uses his office phone to make long-distance calls to relatives. Since his position requires frequent long-distance calls, Mike does not worry about being caught.

2. Mike has three children. All of their needs for paper, pens, pencils, binders, etc. come from SACS.

3. Mike is active in a community club. When he needs copies of club materials for meetings, he uses the company copier.

4. For personal correspondence (e.g., bills, letters, cards), Mike uses postage stamps paid for by SACS.

5. On her birthday, Mike took his wife out for an expensive lunch on the company.

APPENDIX A: CONDITION I

6. SACS allows employees to send up to 40 lbs. of packages free at Christmas. Mike dummied account numbers so that he could send, for free, an additional 83 lbs.

7. When the company purchased 100 inexpensive calculators (i.e., $6.50 each) for office personnel, Mike took one home for the family.

8. After Mike prepared and served orange juice at a recent marathon (SACS supplied the o.j.), nine cases of concentrate were left. He returned one case to SACS and took eight cases home.

APPENDIX A: CONDITION II

Speedy Air Courier Service (SACS) is a well-established company with headquarters in Phoenix, Arizona. In a competitive service industry, SACS is very successful (i.e., averaged over $170 million in annual profits during the 1980's).

Externally, the company portrays to the public an image of friendly, prompt, and personal service. Television, radio, and print advertisements contain the message, "We are satisfied ONLY when you are satisfied." In an effort to enhance its public image, SACS became a major supporter of the campaign to treat and reduce diabetes. SACS is the primary sponsor of several marathons which support diabetes research. In fact, the company directly sponsors four runners by purchasing their equipment and supplies and by providing support personnel for races. In turn, SACS uses the testimonials of the runners in its advertising. When company executives speak at community organizations, the diabetes program is always highlighted.

Internally, SACS promotes messages to employees of concern, of taking care of them, of treating them like family. The company has placed posters in employee break areas and on bulletin boards which say, "At SACS we care about YOU!", "Got a problem? Let's talk about it," and "ALL suggestions are warmly received."

In addition to the external and internal messages, employees are aware of the following:

1. Salaries at SACS are about average in the air courier industry.

2. SACS has a policy that vacancies in supervisory and managerial positions are equally open to persons from outside the company and current employees.

3. Managerial expense accounts are best described as moderate or average.

4. SACs allows management personnel to use company cars for job-related business.

APPENDIX A: CONDITION II

5. After one year of service SACS' employees annually receive two weeks paid vacation plus twelve hours of personal time.

6. With a $100 deductible per person, SACS provides full medical and dental coverage for employees and their families.

7. Given SACS support of diabetes campaigns, the company requires managers to volunteer up to eight hours a month as support personnel for marathons. For eight hours volunteered, managers are given four hours of compensatory time-off.

8. SACS funds a company retirement plan (employees vest after ten years) that provides full benefits (i.e., 50 percent annual salary averaged over the last five years) after twenty-five years of service. Benefits are automatically adjusted on an annual basis to cover one-half of any cost-of-living increases.

Mike has been with SACS for seven years. He holds the position of Assistant Manager in the headquarters office. While his personnel file indicates that Mike is an excellent employee, the company is unaware of some of his actions.

1. Mike occasionally (i.e., once or twice a month) uses his office phone to make long-distance calls to relatives. Since his position requires frequent long-distance calls, Mike does not worry about being caught.

2. Mike has three children. All of their needs for paper, pens, pencils, binders, etc. come from SACS.

3. Mike is active in a community club. When he needs copies of club materials for meetings, he uses the company copier.

4. For personal correspondence (e.g., bills, letters, cards), Mike uses postage stamps paid for by SACS.

5. On her birthday, Mike took his wife out for an expensive lunch on the company.

APPENDIX A: CONDITION II

6. SACS allows employees to send up to 40 lbs. of packages free at Christmas. Mike dummied account numbers so that he could send, for free, an additional 83 lbs.

7. When the company purchased 100 inexpensive calculators (i.e., $6.50 each) for office personnel, Mike took one home for the family.

8. After Mike prepared and served orange juice at a recent marathon (SACS supplied the o.j.), nine cases of concentrate were left. He returned one case to SACS and took eight cases home.

APPENDIX A: CONDITION III

Speedy Air Courier Service (SACS) is a well-established company with headquarters in Phoenix, Arizona. In a competitive service industry, SACS is very successful (i.e., averaged over $170 million in annual profits during the 1980's).

Externally, the company portrays to the public an image of friendly, prompt, and personal service. Television, radio, and print advertisements contain the message, "We are satisfied ONLY when you are satisfied." In an effort to enhance its public image, SACS became a major supporter of the campaign to treat and reduce diabetes. SACS is the primary sponsor of several marathons which support diabetes research. In fact, the company directly sponsors four runners by purchasing their equipment and supplies and by providing support personnel for races. In turn, SACS uses the testimonials of the runners in its advertising. When company executives speak at community organizations, the diabetes program is always highlighted.

Internally, SACS promotes messages to employees of concern, of taking care of them, of treating them like family. The company has placed posters in employee break areas and on bulletin boards which say, "At SACS we care about YOU!", "Got a problem? Let's talk about it," and "ALL suggestions are warmly received."

In addition to the external and internal messages, employees are aware of the following:

1. Salaries at SACS are among the lowest in the air courier industry.

2. In order to discourage social relationships between labor and managerial personnel, SACS has a policy that vacancies in supervisory and managerial positions are only open to persons from outside the company.

3. Managerial expense accounts are best described as very limited.

4. SACS allows management personnel to receive 14 cents a mile when driving their own cars on authorized out-of-town business.

APPENDIX A: CONDITION III

5. After one year of service, SACS' employees annually receive two weeks paid vacation.

6. With a $200 deductible per person, SACS provides 80 percent medical coverage for employees. Employees must pay $40 per person each month if they want medical coverage for family members.

7. Given SACS support of diabetes campaigns, the company requires managers to volunteer up to eight hours a month as support personnel for marathons. Managers receive no compensation for meeting this volunteer requirement.

8. SACS participates in the Federal Government's Social Security Program. The company provides no other retirement benefits.

Mike has been with SACS for seven years. Since joining SACS, Mike has been the Assistant Manager in the headquarters office. While his personnel file indicates that Mike is an excellent employee, the company is unaware of some of his actions.

1. Mike occasionally (i.e., once or twice a month) uses his office phone to make long-distance calls to relatives. Since his position requires frequent long-distance calls, Mike does not worry about being caught.

2. Mike has three children. All of their needs for paper, pens, pencils, binders, etc. come from SACS.

3. Mike is active in a community club. When he needs copies of club materials for meetings, he uses the company copier.

4. For personal correspondence (e.g., bills, letters, cards), Mike uses postage stamps paid for by SACS.

5. On her birthday, Mike took his wife out for an expensive lunch on the company.

APPENDIX A: CONDITION III

6. SACS allows employees to send up to 40 lbs. of packages free at Christmas. Mike dummied account numbers so that he could send, for free, an additional 83 lbs.

7. When the company purchased 100 inexpensive calculators (i.e., $6.50 each) for office personnel, Mike took one home for the family.

8. After Mike prepared and served orange juice at a recent marathon (SACS supplied the o.j.), nine cases of concentrate were left. He returned one case to SACS and took eight cases home.

APPENDIX B: DEPENDENT MEASURES

We want you to evaluate ten statements concerning SACS and Mike. For your responses, please use the following scale:

S+A	-	Strongly Agree
A	-	Agree
MA	-	Mildly Agree
N	-	Neutral (neither agree nor disagree)
MDA	-	Mildly Disagree
DA	-	Disagree
S-DA	-	Strongly Disagree

	Circle Your Choices						
1. SACS is a good employer.	S+A	A	MA	N	MDA	DA	S-DA
2. Mike is a good employee.	S+A	A	MA	N	MDA	DA	S-DA
3. Mike's use of his office phone to make long-distance calls to relatives is all right.	S+A	A	MA	N	MDA	DA	S-DA
4. Mike's use of the company copier to make copies of materials for his club meetings is all right.	S-DA	DA	MDA	N	MA	A	S+A
5. Mike's decision to meet all of the needs of his three children for paper, pens, binders, etc. with SACS' materials is all right.	S+A	A	MA	N	MDA	DA	S-DA

APPENDIX B: DEPENDENT MEASURES

6. Mike's use of postage stamps paid for by SACS to mail personal correspondence is all right.	S+A	A	MA	N	MDA	DA	S-DA
7. Mike's gift to his wife of an expensive lunch paid for by SACS is all right.	S-DA	DA	MDA	N	MA	A	S+A
8. Mike's falsifying of account numbers so that he could mail 83 lbs. of free Christmas packages is all right.	S+A	A	MA	N	MDA	DA	S-DA
9. Mike's theft of an inexpensive company calculator for his family is all right	S+A	A	MA	N	MDA	DA	S-DA
10. Since he served as a marathon volunteer, Mike is justified in taking home eight cases of orange juice concentrate supplied by SACS.	S+A	A	MA	N	MDA	DA	S-DA

Finally, please provide your response to one additional statement.

11. If I worked for SACS, I would behave alot like Mike.	S-DA	DA	MDA	N	MA	A	S+A

Thank you.

TABLE 1

Mean, F-values and Eta^2 for Univariate Tests [ab]

Dependent Measures	Sensitive SACS	Average SACS	Insensitive SACS	F-Tests	Eta^2
1. SACS Evaluation	6.63 [c]	5.69	3.50	124.02	.55
2. Assistant Manager Evaluation	2.34	3.10	3.76	19.15	.16
3. Longdistance call abuse evaluation	1.93	2.46.....	.2.76	8.20	.07
4. Copier abuse evaluation	2.31	3.03.....	.3.29	8.92	.08
5. Children supply abuse evaluation	1.86	2.43	2.97	12.51	.11
6. Stamps theft evaluation	1.93	2.54	3.10	13.96	.12
7. Expense account abuse evaluation	1.47	1.99.....	.2.26	10.40	.09
8. Xmas package abuse evaluation	1.27	1.59	2.07	14.76	.12
9. Calculator theft evaluation	1.67	2.24	2.71	12.81	.11
10. Orange juice theft evaluation	1.49	1.99	2.67	21.76	.17
11. Self Behavioral forecast	1.44	2.29	3.29	36.94	.26

[a] Univariate F-test df = 2, 207

[b] Univariate F-test alphas varied between $p < .0004$ and $p < .0001$

[c] Mean comparisons utilized Duncan's Multiple Range Test (df = 207, $p < .05$). Means connected by ..... were not significantly different.